



The United States Department of Agriculture, Rural Economic Development Agency created the Community / Economic Development Revolving Loan Fund (RLF) to improve the quality of life in rural areas by contributing to long-term improvements in the local economy.

The RLF is a local funding source with the goal to provide low interest loans that assist with local economic and community development projects. Priorities include:

- Job creation and retention
- Diversification of the local economy
- Improving the skills of the rural workforce
- Upgrading the public infrastructure to improve the health, safety, and/or medical care of rural residents.

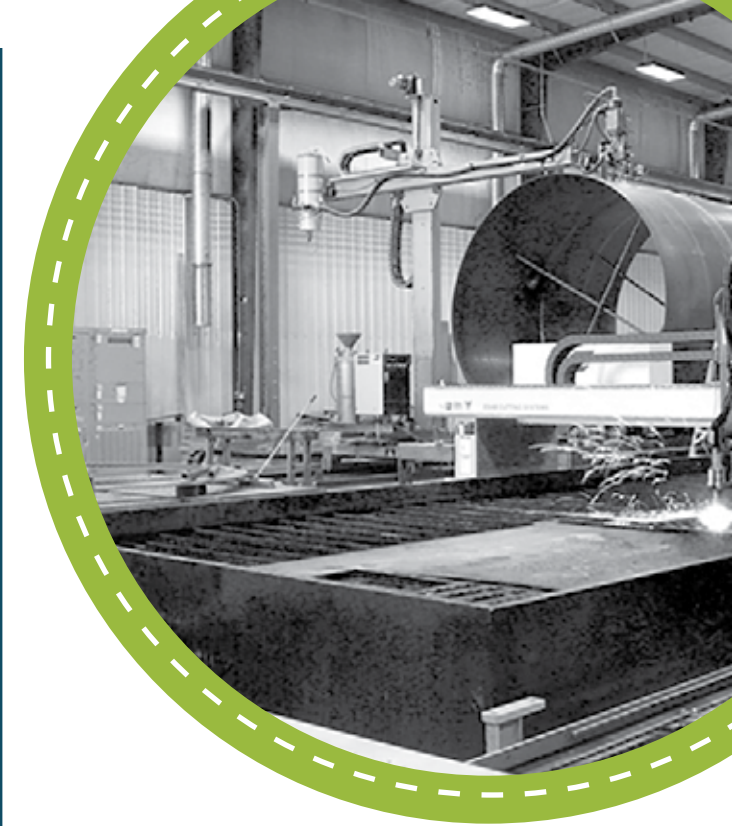
This fund is administered by the Board of Directors of Clarke Electric Cooperative, Osceola, Iowa, in compliance with the USDA program's terms and conditions.



For more information, loan applications or to check on availability of funds, contact:

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## Clarke Electric Cooperative Revolving Loan Fund

Program Summary  
for Community & Economic Development



**CLARKE**  
ELECTRIC COOPERATIVE, INC.

Safety Driven • Energy Smart • Community Invested

Your Touchstone Energy® Cooperative 

# SUMMARY OF RLF LOAN TERMS AND PROGRAM ELIGIBILITY REQUIREMENTS

## Eligible Applicants

- Organizations involved in community or economic development projects
- New or expanding private businesses
- Local governments
- Non-profit community development organizations



## Loan Amounts

- \$5,000 minimum
- \$50,000 maximum



## Interest Rates

Vary depending on the project's rating and risk factors, not to exceed prevailing prime rate.

## Terms & Security

The RLF requires adequate collateral for the loan request. Preferred security is an irrevocable letter of credit. Other acceptable collateral includes a first lien on real estate and/or machinery and equipment. The maximum loan term is ten years.



## Eligible Uses of Funds

- Land purchase
- Buildings
- Fixed assets
- Machinery & equipment
- Infrastructure



Generally, the length of the loan will be based on the collateral offered by the applicant:

- Building 10 yrs.
- Real Estate 10 yrs.
- Equipment 5-7 yrs.



## Ineligible Uses of Funds

- Pre-development costs
- Refinances
- Housing



## Other Funding

A minimum of 20% of the project cost must be funded from equity or debt sources other than the USDA RLF.

## Administration Fee

Generally, the RLF will charge an annual administration fee equal to 1% of the outstanding balance of the loan. Additional legal fees and permits may be charged on the application.

## Loan Terms

Terms are set by the CEC Board of Directors based on the financial need of the project based on the amount, current interest rates, terms & security, any other funding sources, other fees and fund availability.

## Funding Availability

RLF loan applications are accepted at the Clarke Electric Cooperative office located at 1103 North Main Street in Osceola, Iowa.



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